



Paul L. Perito
Chairman, President &
Chief Operating Officer

May 17, 2001

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ORIGINAL VIA FEDERAL EXPRESS

Mr. Nick Tomlinson
Head, Novel Foods Division
Food Standards Agency
Room 527, Aviation House
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Dear Mr. Tomlinson:

I have received your letter concerning the smokeless hard tobacco product, ARIVA™, that we have developed. It is most unfortunate that anything you know about the product was taken from the article that appeared in the Sunday Times of London on May 6. We were appalled by the mischaracterization of a hard tobacco pellet as a "sweet". Of the multiple inaccuracies in the article, this clearly was the most egregious and fallacious.

Star Scientific is a NASDAQ listed, public technology-oriented tobacco company with a toxicity reduction mission. Star believes there is an urgent need to reduce the toxicity of smoked and smokeless tobacco products to the maximum possible extent, given available technologies. Our corporate mission is centered on the pursuit of technologies that expose adult, and let me emphasize adult, tobacco users to fewer carcinogens in the hope that, while we learn more about strategies to prevent smoking initiation or cessation relapse, we also may be able to lessen the risk of tobacco-related disease.

ARIVA™ is the outgrowth of the success Star Scientific has achieved in pioneering a tobacco curing technology, known as StarCured™, that prevents the formation of tobacco specific nitrosamines (TSNAs) that normally are formed during the curing of tobacco. Respected scientists worldwide believe that TSNAs are among the most potent and abundant carcinogens in tobacco leaf and smoke. ARIVA™, which contains all low-TSNA tobacco, was developed to meet the needs of adult tobacco users

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who confront smoke-free environments on a daily basis. Simply put, ARIVA™ is compressed tobacco in pellet form. It is a tobacco product and will be test-marketed as such. This product, when test-marketed, will be kept in the same location in stores as other tobacco products. Therefore, anyone wishing to purchase ARIVA™ will need to show identification to prove that he or she is at least 18 years of age. Moreover, ARIVA™ is the first tobacco product to be manufactured in child-resistant packaging. This hardly describes a product that is a "sweet", the sensationalist invention of the Sunday Times editors.

The product we are developing has yet to undergo review by the U.S. Federal Trade Commission, which has jurisdiction (under the Comprehensive Smokeless Tobacco Education Act of 1986) over all labeling involving smokeless tobacco and moist snuff. ARIVA™ is neither a food nor a drug, but is consistent with our focus on developing tobacco products that hold the promise of delivering less toxins and ergo, expose adult tobacco users to less cancer-causing toxins. We plan to make no health claims, directly or indirectly. We also plan to share with adult tobacco consumers, through a package insert, that the cigarettes™, which will be packaged in child-resistant packaging, are intended to be used when adult tobacco users want to choose a non-combustible alternative that our testing indicates will deliver approximately 95% less TSNA's than the leading moist snuff brands sold in the United States.

Since we have not completed our labeling nor finalized the information that we will provide to potential adult consumers in our two anticipated test markets in Richmond, Virginia and Dallas, Texas, and we still are "tweaking" the actual prototype, we think it would be entirely inappropriate for the inaccurate product information contained in the Times article to be submitted either to your agency and/or to the EU member states. We are not now applying for marketing authority either in the UK or in any of those member states. We respectfully believe that the regulation under your statutory mandate cited in your letter is not applicable to our product or to our present intentions.

We appreciate your gracious letter, and we can well understand how you and many others may have been confused, and indeed misled, by the false and misleading report contained in Mr. Peakin's article under a headline, which Mr. Peakin subsequently told me had been "done by the editors in London", that was intended to sensationalize the story.

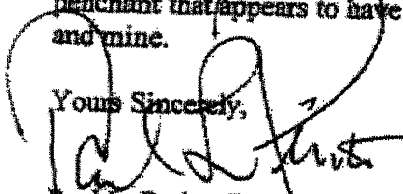


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It is perhaps symptomatic of the irresponsible journalism that characterized this story that Mr. Peakin also subsequently revealed to me that he had taped-recorded our conversation without my knowledge. As a matter of fact and law, this is a crime in the state of Maryland, which requires two-party consent, and where I spoke with him by telephone.

Since you have forwarded a copy of your letter to the British American Tobacco Company and to Mr. Deboyser of the European Commission, I am taking the opportunity to forward my response to both parties as well. I trust that I have been responsive to your inquiries and that I have clarified the unfortunate perceptions created by a journalistic penchant that appears to have become increasingly commonplace in both your country and mine.

Yours Sincerely,


Paul L. Perito, Esquire
Chairman, President and Chief Operating Officer

Cc: Mr. Patrick Deboyser
European Commission, DG, SANCO

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